

Message Text

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PAGE 01 MANILA 00234 071016Z

17

ACTION EA-10

INFO OCT-01 ISO-00 EB-07 RSC-01 /019 W

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R 070906Z JAN 75

FM AMEMBASSY MANILA

TO USDA/FAS WASHDC

INFO SECSTATE WASHDC 9602

UNCLAS MANILA 234

FOR WILLIAMS/COTTON/FMD/FAS

SUBJECT: PAST DUE L/C'S

REF: FASTO 03

TOFAS 5.

1. WE ARE UNABLE TO DEVELOP INFORMATION ON THE STATUS OF THE LIRAG OVERDUE L/C'S TO JAMES LAWRENCE OR THE LIRAG AND UNITED ASIA OVERDUE L/C'S TO PAN AMERICAN COTTON EXCEPT THAT DBP CONFIRMED THEY ARE HAVING SERIOUS FINANCIAL PROBLEMS. DBP WILL NOT DISCUSS SPECIFICS OF ANY PARTICULAR MILL'S FINANCIAL ARRANGEMENTS OR PROPOSALS FOR DEBT STRUCTURING AND RE-STRUCTURING.

2. LETTER DATED JANUARY 3 TO WILLIAMS PROVIDES SOME ADDITIONAL INFORMATION ON LIRAG. DBP SAID THAT LIRAG HAD NOT ASKED FOR ANY RE-ALLOCATION OF CCC CREDIT. WE DO NOT THINK THAT LIRAG WANTS OR NEEDS COTTON IN JANUARY.

3. WE DO NOT HAVE A MEANS OF DETERMINING UNITED ASIA'S RAW COTTON INVENTORY BUT WE BELIEVE THAT IT IS ONLY ABOUT 100 BALES AND THAT THEY NEED COTTON BADLY.

4. PAN AMERICAN'S AGENT REPORTS THAT UNITED ASIA HAS WORKED OUT A PLAN WHICH HAS BEEN APPROVED BY DBP TO IMPORT THE 690 BALES IN SIX LOTS OF 100 EACH AND A LOT OF 90 BALES. REPORTEDLY, UNITED ASIA OFFICIALS WENT TO DBP WITH A POSTDATED CHECK TO
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OFFER AS COLLATERAL ON THE FIRST L/C FOR 100 BALES BUT DBP

TURNED IT DOWN. UNITED ASIA IS SUPPOSEDLY LOOKING FOR A SOURCE
OF A DOMESTIC LETTER OF CREDIT OR A SURETY BOND. THEIR ONLY
OTHER ACCEPTABLE MEANS OF OBTAINING THE NECESSARY COLLATERAL
WOULD BE TO OFFER OTHER REAL PROPERTY NOT NOW MORTGAGED.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COTTON, IMPORTS, LETTERS OF CREDIT
Control Number: n/a
Copy: SINGLE
Draft Date: 07 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975MANILA00234
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
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TAGS: EPAP, EAGR, RP, US
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